The Value of VITA

expect the best

Information Technology Reform

Virginia's Information Technology (IT) Reform initiative was launched in 2002 by Governor Mark R. Warner and the Virginia General Assembly. This effort significantly changes the structure of state government and promotes increased services to citizens.

While the IT Reform initiative is in the initial stages of completion, Virginia has enjoyed early successes in the areas of improved governance and oversight, centralized procurement, cost savings and avoidances, promotion of enterprise solutions and opportunities, value-add provided to customers and the Commonwealth, and external validation. Furthermore, the IT Reform effort positions Virginia to deliver citizen services more effectively over the next decade as government shifts from a transaction basis to a more citizen-centric, event-oriented basis.

Early Successes

The landmark legislation passed by the 2003 General Assembly consolidates the IT resources and personnel of 90 executive branch agencies and creates the Virginia Information Technologies Agency (VITA) to serve as the central, shared service IT "utility" for the Commonwealth. Like running water and electricity, IT infrastructure—such as telephones and computers—is a "must-have" in every agency and is foundational to the effective operation of state government.

The creation of VITA allows agencies to get out of the IT infrastructure business and focus on improved service delivery to their customers. A standards-based infrastructure with common platforms promote interoperability and collaboration, and allow seamless services within and across agencies.

Improved Governance and Oversight

Numerous studies on technology in the Commonwealth have produced the following conclusions in the areas of governance and oversight as a result of Virginia's highly decentralized environment:

- Uncoordinated IT operations.
- Significant duplication of systems.
- Multi-million dollar IT project failures.
- Lack of enterprise systems and IT security policies.

Governance Accomplishments

- **Established the Information Technology Investment Board (ITIB)**, a supervisory board charged with the operations of VITA and oversight of executive branch IT investments.
- **Appointed the Chief Information Officer of the Commonwealth.** The ITIB hired Lemuel C. Stewart, Jr., under a five-year contract to provide a focal point for enterprise IT decision-making.
- **Prioritized technology investments across the Commonwealth.** The Board submitted the *Recommended Technology Investment Priorities Report*. The report includes a ranked, prioritized list of major IT projects and recommendations referenced by the Governor and General Assembly in setting funding priorities for technology investments.
- **Improved IT project oversight and management** by establishing the Project Management Division within VITA, responsible for strategic planning and portfolio management, enterprise program management, and project oversight.
- **Coordinated the IT strategic planning process** across the Commonwealth.
- **Developed cost-effective Project Manager Development Program** to provide information, resources, and affordable training opportunities to more than 800 participants, including 128 qualified project managers.
- **Provided increased opportunities for employees,** including training and retraining, unparalleled advancement opportunities, and new job opportunities.

Successful Transition of 90 Agencies

VITA was charged with transitioning the infrastructure assets and personnel of 90 executive branch agencies to VITA support and services. Cross-agency teams and VITA staff led the effort. Transition accomplishments include:

- **Completed all agency transitions successfully**, exceeding the January 1, 2005, deadline by more than a month.
- **Maintained continuity of services** throughout the transition.

- **Ensured a seamless transition** as possible for agencies and employees.

- **Improved the computing environment for many agencies** through increased security and legal compliance activities.

- **Established the VITA Customer Care Center**, a central customer service center for helpdesk support and new service information.

VITA Scope Statistics

	7/1/2003	1/1/2005
Supported Orgs.	11	90
Locations	4	1,497
PCs and Laptops	600+	60,000+
Servers	30+	3,000+
VITA FTEs	368	1,056

Centralized Procurement

As the central procurement source for IT-related goods and services, VITA launched Procurement Reform (ProReform) in 2002:

- **Implemented solutions-based approach** oriented to value, not strictly price.

- **Limited terms and conditions** to ensure equity.

- **Improved asset management** through centralized eVA ordering

- **Ensured process improvements** so procurements are faster, simpler, and less expensive.

- **Launched small, women- and minority-owned business initiative** to provide more access and opportunities.

- **Lowered costs** by leveraging buying power.

Cost Savings and Cost Avoidances

VITA has implemented eleven cost savings initiatives and two cost avoidance initiatives to date, resulting in the following estimated savings:

Savings Report (in $1,000s)

	FY04	FY05	FY06
Gross Savings	$15,665	$25,130	$26,316
Cost Avoidance	875	995	615
Total	**16,540**	**26,125**	**26,931**

VITA has also launched fifteen "Quick Win" initiatives, the savings of which will be returned to agencies to offset the 5.52 percent administrative fee in FY 2005, estimated at a total of $6.7 million.

Enterprise Promotion and Collaboration

VITA and the ITIB are initiating enterprise opportunities in partnership with agencies. Examples of current initiatives include:

- Learning Management System

- Statewide Alert Network

- Enterprise Geographic Information Systems

- Government to Government Enterprise Systems Interface

- E-Mail Consolidation

- Enterprise Licensing

These initiatives provide robust, flexible solutions that can be developed once and deployed many times. As a result, agencies and localities that cannot afford to buy or build systems can have access to affordable service options.

Value-Add to Citizens

Commonwealth citizens currently enjoy access to more than 90 interactive government services online, 24x7, provided through the Virginia Information Providers Network (VIPNet) of VITA. VIPNet of VITA was created in 1997 to positively transform the relationships and interactions among citizens, businesses, and government through the Internet. Responsible for supporting virginia.gov, Virginia's state portal, VIPNet of VITA has advanced electronic government for citizens. Highlights include:

- **Access anytime, anywhere.** In 2003, accesses (page views and downloads) to the portal totaled more than 29 million, with nearly half occurring outside of traditional government office hours.

- **A wealth of information.** virginia.gov includes more than 8,000 pages and 90 interactive services operating in a secure environment.

- **Cost containment.** The portal and associated services are completely self-funded. Other states spend more than $10 million annually.

- **Pioneering new services.** Virginia has launched many "firsts" in e-government, including personalization, real-time election results for all precincts, a wireless portal, free legislative tracking services, and real-time customer service through Live Help.

- **Investment in new services.** At no cost to the Commonwealth, VIPNet of VITA provided $1.5 million in free services to the State Board of Elections and 134 voter registration offices, and $875,000 annually in free Web design, consulting, and hosting services for agencies lacking resources.

Value-Add to Customers & Localities

VITA has provided value-add to existing and new customers. Highlights include:

- **Provided significant cost savings to agencies** through reduction of rates associated with telecommunications and mainframe services.

- **Provided $7.7 million in cost savings to localities and public schools** through statewide services and contracts managed by VITA.

- **Launched an outreach program to localities,** and established an executive position, Enterprise Service Director (ESD), to serve as a liaison between VITA and local government.

- **Supported agencies affected by the Capitol Campus construction project** to ensure continuity of services, and take advantage of savings and efficiency gains by relocating services to VITA's Operations Center (VOC).

- **Protected the Commonwealth from computer viruses,** including MyDoom worm, through careful monitoring and prevention activities.

- **Established E-rate accounts for 36 school districts and library systems** for Internet and/or long distance services.

- **Returned $3.8 million** to the budgets of small and medium agencies in FY 2004.

- **Met or exceeded all performance availability targets** for servers and systems located in the VOC since VITA's creation in 2003.

- **Provided uninterrupted services during severe weather and flooding** associated with hurricane remnants Gaston, Frances, Ivan, and Jeanne, and helped agencies that experienced damage as a result of flooding in agency facilities.

The Future: Transformation

Transformation involves changing the way the Commonwealth conducts business. Transformation is not pursuit of modest, incremental improvements. Rather, it is breakthrough initiatives for substantial returns on investments and improvements in service. Transformation will take two directions:

- **Modernizing the technology infrastructure,** to provide a cohesive, cost-effective, and scalable foundation for high-capacity/capability services.

- **Reengineering business processes** to take advantage of that infrastructure in providing substantial value-add to Virginians.

Priorities for 2005

To achieve the objectives of Transformation, the priorities for 2005 are:

- **Pursuing public/private partnerships,** via the Public Private Education Facilities and Infrastructure Act of 2002 (PPEA), for the transformation of the state's IT infrastructure.

- **Encouraging the identification and development of enterprise-wide systems** to capture economies of scale and improve services.

- **Recapitalizing IT in government,** providing more cost-effective platforms from which to launch service improvements.

- **Improving the reliability of agencies' cost savings/cost avoidance estimates,** including a clear definition of these terms.

- **Developing and supporting a strategic approach to IT investment management** in the Commonwealth.

- **Revising the Commonwealths' four-year Strategic IT Plan.**

- **Benchmarking the Commonwealth's performance** relative to other states.

- **Promoting collaboration among all levels of government** to provide seamless service delivery.

- **Expanding direct citizen services** for a mobile population (e-Government).

- **Improving citizen access to Web-based services** by expanding broadband deployment.

Value of Transformation

Since July 2003, VITA has implemented numerous IT initiatives that have resulted in savings or cost avoidance to the Commonwealth, ranging from improvements in statewide telecommunications contracts to procurement reform to infrastructure consolidation. More initiatives are planned.

To achieve these projections, upfront investments will be required. VITA intends to use savings generated from such initiatives to fund continued Transformation activities.

Role of the ITIB in Transformation

The IT Investment Board and its committees have begun to address strategic, long-term issues, including:

- **Determining and pursuing opportunities for enterprise systems** on a proactive basis.

- **Minimizing duplicative systems investments** and eliminating major IT project failures.

- **Effecting behavioral and culture change** to place emphasis on citizen-centric approaches to service delivery and on lowering costs for taxpayers.

- **Focusing on the strategic redesign of business process** in state government, supporting transformations in other common operations in addition to technology.

- **Leveraging technology investments** to support economic development and the creation of new jobs in the Commonwealth

Selected Awards and Recognition

2004

Virginia was awarded a third place national ranking in the 2004 Digital States Survey by the Center for Digital Government. The survey is viewed as the nation's most recognized and respected study of IT applications in all 50 states.

Virginia was awarded a third place national ranking in the 2004 Best of the Web contest by the Center for Digital Government.

Virginia's Wireless E-911 Deployment Project and Virginia Base Mapping Program won two first place 2004 Recognition Awards given by the National Association of State CIOs (NASCIO).

VITA was recognized by the Computerworld Honors Program for two case studies.

Government intelligence resource INPUT featured the IT reform effort, citing Virginia at the forefront of state government technology.

Three Virginians, including Governor Warner, named "Top 25 Doers, Dreamers, and Drivers" by *Government Technology* magazine.

2003

Virginia received NASCIO's 2003 Recognition Award for its innovative IT reform initiative.

Four Virginia agencies won the 2003 Cost Effectiveness Through Government Awards from the National Electronic Commerce Coordinating Council (NECCC).

eVA honored by the Massachusetts Institute of Technology (MIT) with the 2003 State Government Innovator Award.

2002

Virginia ranked 6th in the nation in the Digital States Survey by the Center for Digital Government.

Virginia ranked among top ten as a top performing state in the New Economy by the Progressive Policy Institute.

Virginia receives #1 ranking in Social Services delivered to citizens through information technologies and digital government by the Center for Digital Government.

Virginia receives international E-Gov Pioneer Award for VIPNet's Live Help online customer service feature.

Virginia ranked 6th in the nation in technology employment overall, the only state to move up in the rankings.

Virginia and Fairfax County announced as winners of the national Balanced E-Government Award by the Center for Digital Government.

Conclusion

VITA and the IT Reform initiative have made great strides in garnering early successes and positioning Virginia to meet the demands of a technology-based service environment. In addition to creating a culture of excellence in service delivery, reliability, and transparency, the IT Reform effort is viewed by other states as a model for state government reform efforts—not only in information technology, but also in areas such as human resources, finances, procurement, and other functions typically handled on an agency-by-agency basis.

While Virginia can take pride in these early successes, there remains much work to be done to truly transform the business of government and service delivery by leveraging the infrastructure, moving to a shared services model, and engaging in substantial business process reengineering. True partnerships and collaboration will ensure future success for VITA and Virginia's IT Reform efforts during the upcoming Transformation stage.